and basic human needs like health, education, water and sanitation as the areas for possible assistance.

**Customs duty on Chemicals and Fertilizers**

4326. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether it has been urged upon Government to arrest the steep fall in the basic customs duty on chemicals and fertilizers;

(b) if so, the present rate of customs duty being charged from chemicals and fertilizers;

(c) whether the Department of Chemicals and Fertilizers have also recommended that the customs duty on capital goods and spare parts be reduced to make the project import cheaper; and

(d) if so, what is the Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Some representations were received for maintaining the basic customs duty on chemicals.

(b) The general rate of basic customs duty on chemicals is 30%, and on fertilizers 5%. However, specified chemicals and fertilizers attract lower rates of duty.

(c) Yes, Sir. Department of Chemicals and Petro-chemicals and Department of Fertilizers had requested for reduction in customs duty on capital goods and spare parts.

(d) The recommendations were examined. However, it has not been possible to acced to the same.

**Working capital for small scale sector**

4327. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Confederation of Indian Industries has *inter alia* suggested Government to have a sub target within priority sector lending to promote alternative sources of finance, to establish an independent credit rating agency and to make the Nayak Committee norms regarding working capital applicable

as a rule to alleviate the capital related problems of small scale industry;

(b) if so, whether Government have examined these suggestion; and

(c) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) yes, sir.

(b) and (c) Reserve Bank of India (RBI) has reported that no sub-target has been prescribed for financing SSI Units within the priority sector lending targets. According to RBI, the public sector banks advances to SSI Units have shown steady increase in absolute terms and that even without any target, out of 40% of target for priority sectors, agriculture and SSI together account for 34 percentage points, thus leaving only 6% for the rest of other important segments of priority sectors such small business, retail trade, housing, education and self-employed person etc. Fixing sub target may result in crowding out in other priority sectors, RBI has, therefore, decided not to fix any sub-target for SSI within the priority sector lending. Banks are however being advised by RBI to fix a target for the year on year growth in SSI.

As regards computation of working capital limits for SSI, Banks are reportedly computing the same on the basis of minimum 20% of the annual projected turn over upto a borrowal limit of Rs. 5 crore as per Nayak Committee recommendations. RBI's Study of specialized SSI and General Branches revealed that working capital was computed on the basis of the norms in 93% of the proposals received in specialized SSI Branches and about 79 percent of proposals received in general branches.

**External dues**

4328. SHRI K. RAMA MOHANA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that India's external dues crossed US dollars 100 billions in the month of March, 2002;

(b) if so, the details of the short-term and long-term loan out of the 100 billion; and

(c) the details of institutions/countries from which Government have taken loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Latest available figures indicate that India's